

## Message Text

CONFIDENTIAL

PAGE 01 USUN N 02796 052228Z  
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W  
-----025210 061046Z /23  
R 052224Z JUL 78  
FM USMISSION USUN NEW YORK  
TO SECSTATE WASHDC 2436

C O N F I D E N T I A L USUN NEW YORK 02796

EXDIS

E.O.11652: GDS  
TAGS: UN, AORG  
SUBJECT: UN ADMINISTRATION: TAXATION OF LUMP-SUM  
SETTLEMENTS

REF: USUN 2759

1. AT HIS REQUEST MISOFF CALLED ON SUY 5 JULY TO  
CHECK ON STATUS THIS SUBJECT ON EVE OF SUY'S DEPARTURE  
TO ATTEND VARIOUS UN MEETINGS IN WESTERN EUROPE. SUY  
BRIEFLY SHOWED TEXT OF MEMORANDUM HE HAS PREPARED IN  
HIS NAME AND THOSE OF DEBATIN AND DAVIDSON. IF ALL  
THREE AGREE, MEMORANDUM WILL BE TRANSMITTED TO SYG  
ON LATTER'S RETURN AT END OF CURRENT WEEK. (WE  
UNDERSTAND WALDHEIM'S FIRST OFFICIAL WORK DAY AT  
HEADQUARTERS FOLLOWING HIS SWISS VISIT WILL BE  
MONDAY, 10 JULY.)

2. SUY MEMORANDUM STATES FULL AGREEMENT WITH USG  
POSITION THAT PRACTICE OF REIMBURSEMENT HAS NO LEGAL  
BASIS. MEMORANDUM RECOMMENDS IMMEDIATE RPT  
IMMEDIATE CESSATION OF THE PRACTICE AS THE ONLY  
FAIR AND OBJECTIVE WAY OF CORRECTING A SITUATION  
NOT IN KEEPING WITH THE LAW. SUY TOLD MISOFF HE  
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HAS BEEN HAVING TROUBLE CONVINCING DAVIDSON AS TO  
MERIT OF IMMEDIATE CESSATION OF REIMBURSEMENT. LATTER  
HAD PROPOSED ALLOWING REIMBURSEMENT TO CONTINUE FOR  
A SIX-MONTH PERIOD UNTIL END OF 1978. SUY AGREED  
WHEN MISOFF OBJECTED THAT DAVIDSON VIEW WOULD  
(A) BE UNFAIR AND (B) PROMOTE LARGE-SCALE  
DEPARTURE OF SENIOR AMERICAN EMPLOYEES OF THE

SECRETARIAT DURING INTERVENING SIX MONTHS.

3. SUY SAID HE IS HOPEFUL HE CAN BRING DAVIDSON AROUND  
TO HIS AND DEBATIN'S ANALYSIS. IF SO, HE BELIEVED  
SYG WOULD GIVE THE NECESSARY INSTRUCTIONS. SUY  
SAID THAT HE WOULD BE PREPARED TO RETURN TO  
HEADQUARTERS TEMPORARILY IF US CONSIDERED IT NECESSARY  
TO BRING ABOUT CORRECT DECISION ON WALDHEIM'S  
PART. LEONARD

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## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 jul 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978USUNN02796  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
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**TAGS:** AORG, UN  
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**Review Markings:**  
Sheryl P. Walter  
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